

REMARKS

Applicants respectfully request consideration of this amendment submitted with the accompanying request for continued examination (RCE).

Applicants wish to express their sincere appreciation for the time the Examiner spent with Applicants' representative during a telephone discussion on January 16, 2003, regarding the outstanding final Office Action. Among other things, the phrases "the plurality of video data associated with the dominant images transferred at a relatively higher data transmission than the plurality of video data associated with the background image" and "assigning a higher number of error control overhead bits to the object macroblocks than to the background macroblocks" were discussed during the interview. Examiner indicated that claims 4, 8, 11 and 15 are in favorable condition for allowance for at least the reason that they include the element of "assigning a higher number of error control overhead bits to the object macroblock than to the background macroblocks."

Upon entry of this RCE, claims 17-55 are added in this Application. Claims 17, 22, 26, 32, 40, 44, 50 and 54 are believed to be in condition for allowance because they include the elements of claims 4, 8, 11 and 15 that are in favorable condition for allowance. Applicants would like to point out that the element of "receiving a location vector and at least one motion vector of the object macroblock in a previous frame, the location vector and the at least one motion vector corresponds to location of the object macroblock that is missing in a current frame, and replacing the object macroblock that is missing in the current frame with the object macroblock in the previous frame," are included in claims 20, 24, 29, 34, 36, 41, 45 and 52, and are believed to be allowable subject

matter. It is believed that the foregoing additions add no new matter to the present Application.

Claims 1-16 have been cancelled without prejudice or disclaimer.

Applicants take this action merely to reduce the number of disputed issues and to facilitate early allowance and issuance of other claims in the present application. Applicants reserve the right to pursue the subject matter of these canceled claims in a continuing application, if Applicants so choose, and does not intend to dedicate any of the cancelled subject matter to the public. It is believed that the foregoing amendments and additions add no new matter to the present application.

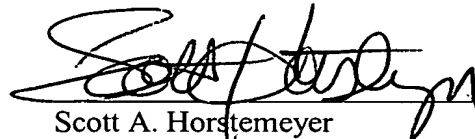
CONCLUSION

Applicants respectfully request that this application and all presently pending claims be allowed to issue. If the Examiner has any questions or comments regarding Applicants' response, the Examiner is encouraged to telephone Applicants' undersigned counsel.

Respectfully submitted ,

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